

Israelis hold David Hirst

BERUIT, March 18 (R). — Three reporters, two Americans and a Briton, were taken to Israel after being pinned down for more than 24 hours in an embattled southern Lebanese village overrun by Israeli troops today. David Hirst of the British newspaper the *Guardian*, Douglas Roberts of the Voice of America and Ned Temco of United Press International (UPI) were picked up by Israeli troops in the village of Haris, scene of fierce fighting between Israeli invasion forces and Palestinian commandos yesterday.

Volume 3, Number 706

AMMAN, SUNDAY, MARCH 19, 1978 — RABIE AL THANI 10, 1378

A straight look at Jordanian Banking and Finance today

After page 4 in today's Jordan Times there is a six page supplement on Jordanian Banking and Finance with several articles taking an in-depth look at banking, Jordan's creditworthiness, Jordan's foreign exchange position, the Stock Exchange, the Housing Bank and the first lady bank manager in Jordan.

Price: Jordan 50 fils; Syria 50 piastres; Lebanon 75 piastres; Saudi Arabia 1 riyal; UAE 1 dirham; Great Britain 25 pence.

Arab League welcomes King Hussein's call for crisis summit

CAIRO, March 18 (JNA). — The Arab League today welcomed King Hussein's call for an Arab summit to be held as soon as possible to face the developments in Lebanon following Israel's aggression against that country.

The League's Assistant Secretary General, Dr. Sayyed Nofal said in a statement that the Arab League strongly supports this call and considers it an inevitable step in view of the present situation. He said that Al Hussein expressed hope that the King's call will meet with an immediate response from other Arab leaders.

King interviewed on American TV.

King Hussein declared that he has called for the convening of an Arab summit as soon as possible because of the critical circumstances facing the Arab world at this time. Israel's occupation of south Lebanon, he said, requires that Arab leaders must act to prevent this becoming a permanent reality.

"Israel's target tomorrow will be Jordan." His Majesty said.

The King, who was interviewed by the American T.V. network, NBC, last night, said that Arab unpreparedness made it easy for Israel to carry out its latest act of aggression.

King Hussein recalled that he had warned in 1967 that Israel looks at south Lebanon with greedy eyes to keep it for itself. Israel must not be allowed to expand more and more under the guise of security, the King said.

The Arab countries he said possess the resources to stand up to repeated Israeli aggression, but Arab disunity at the present time is a handicap.

The King called upon the Arabs to use all their energies to coordinate themselves and work to developing the region in all fields. Israel would then return to its natural size, and the possibility of achieving a just and stable peace would be

King Hussein meets with big power envoys in Amman

AMMAN, March 18 (JNA). — His Majesty King Hussein today received the ambassadors of the Soviet Union and the People's Republic of China as well as the American charge d'affaires in Amman. His Majesty had separate discussions with each of them on the recent events in the region.

Assad declares

Syrian air, land routes open to Palestinian aid

CYPRUS, Cyprus, March 18 (AP). — Syrian President Hafez Assad declared today that Syrian air space and land routes are open for any country that wants to send military assistance to Palestinian guerrillas in Lebanon.

In a nationwide speech inaugurating the second phase of the Tabqa dam in northeastern Syria, Mr. Assad said "we cannot, and we do not want to, isolate ourselves from the Palestinian people and the Lebanese people."

Escalation of resistance

The world expects, and should expect an escalation of resistance to occupation, if the aggression did not stop, and Israeli forces were not withdrawn," he warned.

Mr. Assad pledged increased support for guerrillas, vowing Syria will remain the spearhead of fighting any invasion" of the Arab world.

There was still no sign that Syrian forces were taking part in the southern battles.

Mr. Assad's warning came

Aldo Moro's kidnappers issue photograph and communique

ROME, March 18 (R). — The Red Brigades kidnappers of ex-leader Aldo Moro broke the silence on his abduction today, when they released a photograph to show that he was alive and issued a communique declaring war on the Italian state.

A black-and-white picture of Signor Moro, 61, was placed in a telephone kiosk, with a communique by the extreme left-wing Red Brigades.

The photograph of Italy's leading politician showed him against a background of the Red Brigades flag.

Pictured in shirt-sleeves, Signor Moro looked as if he had suffered injury when the guerrillas ambushed his car on Sunday, killing his five bodyguards.

The communique called his trial of Aldo Mo-

JORDAN TIMES

An independent Arab political daily published by the Jordan Press Foundation
جوردن تايمز يومية سياسية مستقلة بالإنجليزية عن المؤسسة الصحفية الأردنية «الرأي»

Two Arab boys killed as protests, strikes sweep W. Bank, Gaza

OCCUPIED JERUSALEM, March 18 (R). — Two Arab boys aged eight and 16 were killed by a runaway lorry today during demonstrations in the occupied West Bank police said.

The demonstrations were staged in protest against Israel's attack on south Lebanon. An undeclared general strike was in force in the West Bank today and angry protest demonstrations swept through the Gaza Strip. Schools and shops were closed in most towns and villages and students marched through streets and squares urging shopkeepers to keep stores closed in the West Bank.

The boys were killed by a military lorry which went out of control when stone-throwing students smashed the vehicle's windscreen and knocked the driver unconscious, according to the Israeli police.

Four people, including a 12-year-old girl, were injured when the truck crashed into a cafe in the 'Askar refugee camp near Nablus, the West Bank's largest town.

The dead were identified as eight-year-old Muhammad Khalil Abu Jadiid and Basem Abdul Sadek Farhat, 16.

Students protested violently in the Nablus casbah when they heard of the deaths and several of them were arrested. Many shops remained closed.

In Jericho, police arrested six students for blocking roads with burning tyres.

A foreign tourist bus was stoned while travelling to Nazareth through Ramallah. One woman was reportedly injured and taken to hospital.

Eyewitnesses said shots were heard during the Gaza demonstrations and several persons were detained.

Carter sends the King a message

AMMAN, March 18 (JNA). — His Majesty King Hussein today received a message from American President Jimmy Carter in reply to a letter His Majesty had sent. Both letters deal with recent political developments.

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400 U.S. Congressmen condemn PLO "terrorism"

WASHINGTON, March 18 (AP). — More than 400 members of the House of Representatives have signed a resolution condemning the Palestine Liberation Organization for terrorism against Israel and calling on President Jimmy Carter to register U.S. disapproval with foreign governments which give financial support to the PLO.

The resolution, a copy of which was obtained today, said terrorism must not be permitted to undermine efforts to establish peace.

Preparation of the resolution was timed with Israeli Prime Minister Menachem Begin's visit next week for talks with Mr. Carter.

Earlier, a bipartisan group of 12 senators called on President Carter to use his export controls to limit technical and strategic deliveries to Saudi Arabia and other Arab countries which give financial support to the PLO.

The Saudis have denied aiding terrorism, saying their contributions, which have been estimated at about \$80 million are primarily for Palestinian refugees.

French extremist dies in car blast on eve of crucial vote

ROUEN, France, March 18 (Agencies) — Francois Duprat, one of the best-known figures of France's extreme right and a defeated candidate in the country's general elections, was killed near here early today when his car was torn apart by an explosion, police said.

M. Duprat's wife was seriously injured. The explosion occurred shortly after the 33-year-old rightist and noted war historian started the car's engine.

M. Duprat's death came on the eve of the decisive second round of the general election in which voting ends tomorrow night.

Final appeal

Premier Raymond Barre has issued a final appeal for a massive turnout as the only way to beat the left in Sunday's decisive runoff round of French parliamentary elections.

"The important thing is to realize that the second round is the one that counts because it is the second round that determines the makeup of the national assembly," he told a television interviewer Friday night.

"All Frenchwomen and Frenchmen must therefore participate massively in the second round of the elections."

President Valery Giscard d'Estaing's political strategists judge that only a "demobilization" of the pro-government vote and a flawless working of leftist vote-pooling deals can the alliance of Socialists and Communists take power.

Most analysts predict a thin

government victory because, in their view, many Socialists will disobey party orders and refuse to vote for Communists in the 147 districts where they are designated as the left's only candidate.

The pooling stems from France's two-round voting system. Legally, all candidates who won at least 12.5 per cent of the vote in last Sunday's first round are eligible to remain in the runoff.

In practice, however, Socialist and Communist Party leaders ask their followers to vote for whichever leftist candidate is the best placed, withdrawing their own candidates in his favour to present a united front. Parties in the ruling center-right coalition make similar withdrawals, presenting voters with a leftist-government showdown in most districts for the second round.

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An independent Arab political daily published by the Jordan Press Foundation

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From Panama to Palestine

The United States Senate's ratification of the first of two Panama Canal treaties this week has been submerged under the more dramatic news emanating from south Lebanon, but the event is likely to have a bearing on the larger trend of events in the Middle East. This is so because the ratification of the first Panama Canal treaty, even though it was a close victory with only a one-vote margin over the required two-thirds majority, signals the first real success for the Carter administration in the tangled web of alliances and interests that is the American federal Congress. More important, Mr. Carter secured Senate ratification after starting off this drive last year with most of the Senate against the Panama Canal treaties.

The event is meaningful to the Middle East because it shows that a properly planned and executed campaign by the Carter administration can carry the day in the Senate. This is important for President Carter on the practical level of day-to-day American politics, and it is also important for him on the personal psychological level. It is safe to say that this week's Senate vote is something of a baptismal rite for President Carter.

The peculiar system of government in the United States dictates joint action by the President and the Congress in foreign policy formulation, as dramatised this week by the Panama Canal vote. The same kind of executive-legislative harmony will have to be achieved for the United States to carry through with the Carter administration's plan to sell war planes to Saudi Arabia, Egypt and Israel, and, in the longer run, the Congress' approval will be required if Mr. Carter is to tell Israeli Prime Minister Menachem Begin that peace comes only through a full territorial withdrawal and a recognition of Palestinian rights. These latter goals are a long way down the road, but President Carter now walks that road a little mightier than he was last week.

ARAB PRESS COMMENTARY

Jordanian editorials Saturday centred on His Majesty King Hussein's fervent call the day before for convening an urgent Arab summit to agree on a concerted programme of action to foil the Israeli invasion of south Lebanon.

"The King's call came in the nick of time exactly as we had thought it would come," AL RA'I said. It added: "His Majesty had always demonstrated a posture of bravery and wisdom, as Jordan is geographically, psychologically and mentally the most sensitive and farsighted in assessing threats and challenges facing the Arab world."

A summit is inevitably dictated by the Palestinian and Lebanese blood shed along the entire length of the south of Lebanon and by that valiant stand which proved that the Palestine issue is far from wasting away as long as the Palestinian people are able to offer their blood in sacrifice on the altar of Arab steadfastness in the face of the predatory Zionist onslaught, the paper added.

Al Ra'i reiterates an appeal to the more wealthy Arab states, notably the oil-producing countries among them, to display more financial liberality in supporting the confrontation countries, the front-line defenders of the Arab World.

AL DUSTOUR says that masses all over the Arab World are disgusted with the differences plaguing the Arab regimes which has only wrought havoc, despite all the justifications proffered by Arab leaders to make these differences appear as national necessities or as being in the interest of the Arab cause.

Israel would not have dared to strike at Lebanon had it not been for the disunity among Arab leaders, which has been Israel's strongest ally in swallowing up the south of Lebanon, Al Dustour adds.

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Wrecked by Lawrence, rebuilt to haul rocks, Jordan's railway is now being re-equipped

By Ian Kellas
 Special to the Jordan Times

AMMAN, March 7 — More than JD 11.5 million is due to be spent on developing Jordan's existing railway system. Even before work is likely to begin on the projected Damascus-Medina line.

In the station at Amman you can see some solid-looking wooden wagons that happen to have been built in 1913. They are still in operation. But in the same station you can see a bright orange diesel electric locomotive produced recently by G.E.C. which is used to haul phosphate from the mines at Al Hasa to Aqaba, along a line which is practically brand new.

From pilgrim to phosphate

If Jordan's railway was ever in danger of becoming a museum piece, it was saved from that fate by the discovery of phosphate, which exists in large quantities more or less in the middle of the country and conveniently close to the railway line.

When the line was first built by the Turks between 1906 and 1908, its main purpose was to maintain strategic control over the Hijaz. It was also supposed to facilitate pilgrim traffic on the route to Mecca. The railway was never in fact in use for very long, because during the Arab revolt at the time of the First World War, it became a prime target for the sabotage operations of the Arabs -- and of course Law-

rence of Arabia -- under the leadership of Sharif Hussein.

Among the documents which Hashem Taher, Under-Secretary at the Ministry of Transport, has among his files for the new project to rebuild the Medina line, is a map which was made when the original line was brand new. Look as hard as you like; you will not find a station called Amman. Jordan's capital hardly existed at all at that time.

Nor did the line go anywhere near Aqaba.

But today it is a new stretch of line between Aqaba and a previously unimportant station at Al Hasa, which accounts for 80 per cent of the railway's traffic in Jordan.

By 1981 five million tons of phosphate will be quarried out of the ground near Al Hasa every year and hauled south to be exported by sea from Aqaba. Of that, 3,750,000 tons will be carried by rail.

New line to be built

The Aqaba Railway Corporation in 1975, finished building a 120-km stretch of line which for the first time linked Aqaba to the main line of the railway, which otherwise runs on into a dead end in the sand somewhere near the Saudi border. The corporation has also upgraded and rehabilitated about 150 kms. of the existing line, so that it now has an axle-load capacity of 16 tons as far north as Al Hasa.

Within two months tenders will be going out for the re-

habilitation of a 25-km. stretch of railway between Hasa and Menzel, the site of a second phosphate mine, and it is to be linked with the main line of the railway by its own specially built 2 km. link-line. The Hasa-Menzel line project, which is due to cost about JD 5 million will include the reinforcement of bridges and culverts, and the building of special loading facilities and two new stations.

New rolling stock is now also on order. The railway will award a contract for 210 hopper wagons, by the end of this month. Mr. Roseini, the Director General of the railway told the Jordan Times recently.

Each of the wagons, which are specially suitable for hauling phosphate will carry a net weight of 42 tons and the whole order is expected to cost up to JD 3 million. Mr. Roseini revealed that of the bids received so far, those submitted by the Koreans, the French and the Belgians were the lowest. Specifications for 18 new locomotives, also for hauling phosphate, have now been drawn up by the railway and tenders will be issued as soon as the financing agreements with the Saudis and the Kuwaitis are concluded. The cost of the engines will be about JD 3,500,000. It is hoped to have these and the wagons all on the rails by 1979.

At the moment, one solitary train a day plies its way north through the desert from Aqaba to Amman. But while the phosphate trundles down from Al Hasa to the sea to be exported, there is a scheme to bring wheat up the line in the opposite direction.

The Ministry of Supply is building a couple of big wheat silos in Aqaba and from these the grain will be transported by rail up to a flour mill now under construction, close to Amman.

Tenders will be out within a month for 65 multi-purpose wagons, which will be used for carrying the grain -- but also timber and general cargo. There is still, of course, traffic in the north between Amman and Damascus. Twice a week a passenger train runs between the two cities and there are also two or three cargo trains. These mainly carry household goods that have been transported by rail from Europe.

But this traffic is unlikely to grow very much until the whole line is rebuilt in standard gauge. The Hijaz line may have been the latest thing in railway technology when it was built before the First World War but its 1,050-millimeter narrow-gauge track has its drawbacks in the late 20th Century. It can only take slow, light-weight traffic. And because Europe and Turkey operate on the standard (1,435-

mm) gauge track, it means that goods from Europe have to be unloaded and reloaded in northern Syria before continuing on the southern journey.

By rail from Dusseldorf to Medina

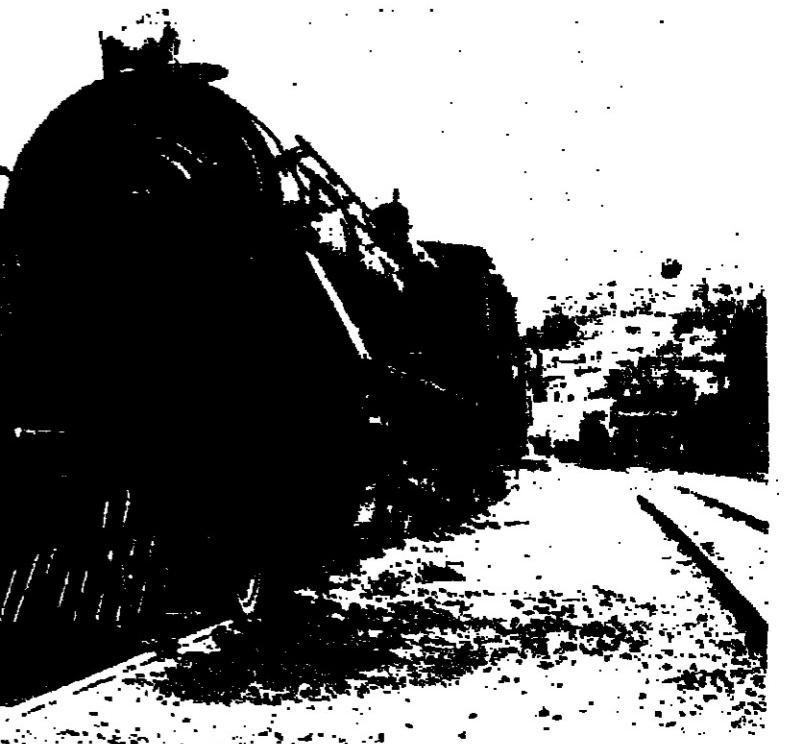
There have been projects before to rebuild the line from Damascus to Medina. The last one founded in 1970 for several reasons. This time however Mr. Taher is confident that all parties concerned are seriously committed to the project. There are plans afoot in Saudi Arabia to link together the main cities in the desert kingdom by rail. This means that when the Syrians have finished building their standard line from Damascus to Homs and when the ancient Hijaz line is rebuilt, there will be direct standard-gauge rail links between Dusseldorf or Lyon, and Medina, Jeddah, and Mecca.

On April 30 the technical committee, composed of high-level delegates from the three countries which are participating in the Hijaz railway scheme -- Jordan, Saudi Arabia and Syria -- is due to meet in Riyadh. The committee will then draw up a short list of companies qualified to undertake a feasibility study for the Hijaz line and at the same time it will lay down the details of the "scope of work". Until then little will be known of the technical and financial particulars of the scheme.

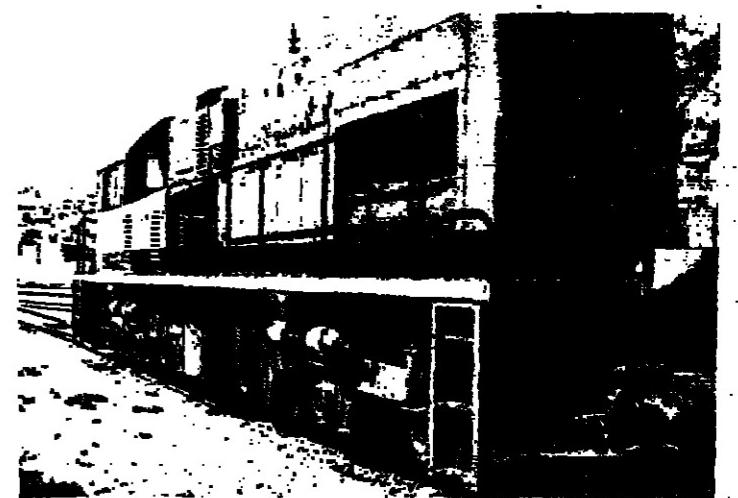
But it is already decided that the railways will carry both goods and passengers. The Hijaz line will be able to fulfill its original function of carrying pilgrims on the Haj. It will also, Mr. Taher said, help to relieve some of the pressure that is building up on the ports of Aqaba and Jeddah. Rail is a relatively fast and cheap way of importing goods from Europe.

It is anticipated that most of the traffic will be going south to Arabian Peninsula. But Jordan can hope to benefit from the business opportunities that should be stimulated by improved communications. Minister of Transport Ali Al Sulaiman drew a picture of a string of industrial or agricultural centres springing up along the line.

Mr. Taher told the Jordan Times that it was hoped to have the new Medina line built by 1985. At that time phosphate will still be making the journey by narrow gauge line to Aqaba, but it will have lost its near monopoly on rail traffic in Jordan. As you speed through the desert in your ultra-modern air-conditioned carriage you should even be able to see for yourself what the new railway is all about.



The railway is gradually converting to diesel, but steam trains, like this one, will be seen on the tracks for a long time to come.



One of the modern diesels that are used for hauling phosphate along the Hassa-Aqaba line stands in a siding at Amman.

Balqa municipalities meet to discuss reforms in local government

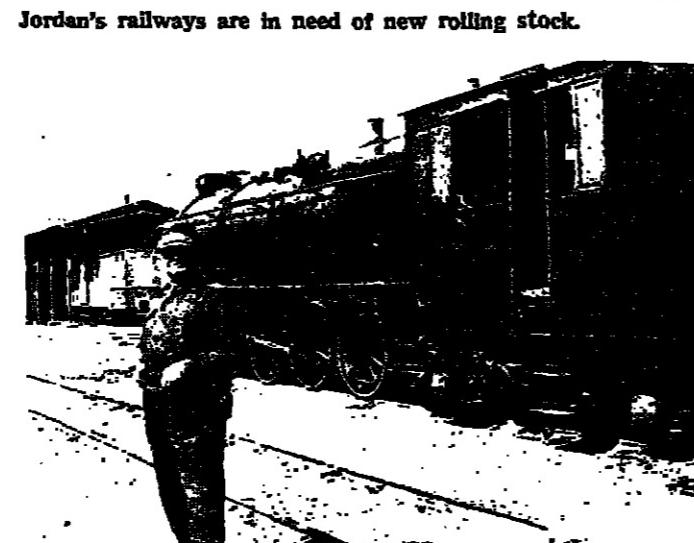
AMMAN, March 18 (JNA). — The Balqa Governorate municipalities conference opened today at Salt Girls' Secondary School. All the participants stood up for a minute to mourn the victims of Israeli aggression in the south of Lebanon.

The Governor of Balqa, Ahmad Al Aqayleh welcomed the participants. Minister of Municipal and Rural Affairs Ibrahim Ayoub, who spoke next, explained the present seminar was part of the Irbid one, sponsored by His Highness Crown Prince Hassan. In his speech the minister stressed the importance of decentralised public service complexes that work to save both effort and money.

The governor asked for electrification to be expanded to cover all the villages in the governorate, for special places for burning the garbage to be built and for eight public service complexes to be established in the governorate.

The participants then discussed a working paper submitted by the Ministry of Municipal and Rural Affairs on the organisation of towns and villages which will ensure the proper environment for social, technical and educational activities.

The seminar then studied two papers by the municipalities of Salt and Fuheis on water, sewerage and other problems.



A railway official at Amman station poses in front of a locomotive that has seen long services on the Amman-Damascus run.

WHAT'S GOING ON

Children's Art

The Department of Culture and Arts and the German Democratic Republic Embassy present an exhibition of about 60 paintings by young German artists. The exhibition is on display at the Palace of Culture. Today is the last day.

Comic Theatre

An Arabic adaptation of an American play, "Sukki Bey's Love" is showing every night at the Haya Arts Centre at 8:00 p.m. The play runs until next Thursday.

Education Discussion

H.E. Dr. Abdoul Salam Majali will talk about plans for education in Jordan at the British Council on Monday at 6:30 p.m.

Easter Music

A group of young German singers will present classical religious songs at the Chapel of Theodor-Schneller School in Marka. This takes place on Monday at 7:30 p.m. and is open to the public.

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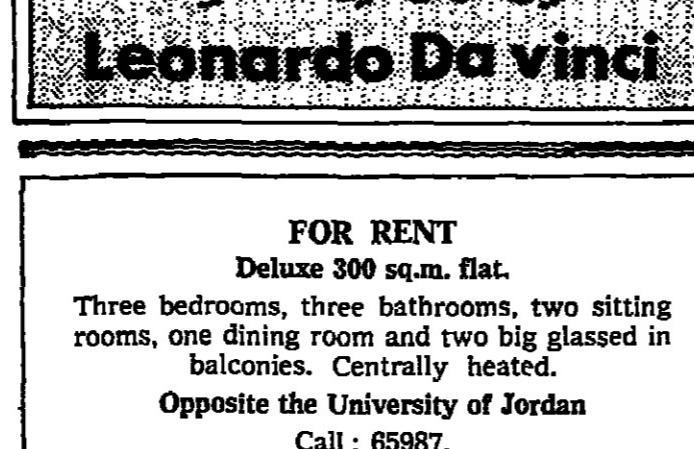
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 - * The Aquarius Restaurant
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WORSHIP SERVICES

in English

The AMMAN INTERNATIONAL CHURCH meets every Sunday 5:00 p.m. in the Church Hall of the Arab Evangelical Episcopal Church Jabal Amman, which is situated near First Circle, in the sixth street on the right past the Rainbow Supermarket, beyond the Restaurant China. All are welcome.

delicacies

National News Roundup

National Water Symposium opens today

AMMAN, March 18 (JNA). — The National Water Symposium is due to open here Sunday under the patronage of His Majesty King Hussein. The four-day conference, to be chaired by Crown Prince Hassan, will be attended by 45 foreign experts and 150 Jordanians. Among the six national papers that have been prepared for the symposium is a presentation of "The Water Plan of Jordan". This is the synopsis of a nine volume study, completed at the end of last year, which is intended to provide an overall picture of the country's water resources and likely demand until the year 2000. Specialists are to discuss the role and effects of water resources on planning the Amman region, industry in the northern regions, problems of water contamination and the employment of more effective usage of water in agriculture.

School books for the blind now being printed in braille

AMMAN, March 18 (JNA). — Books are now being printed in braille for blind students in primary and preparatory schools here, which is part of the plan for overhauling methods of teaching the blind in Jordan, Director General of the Social Affairs Department Khaled Radayeh said today. The books, which are being printed in cooperation with the Middle East Office for the Blind, will take at least seven months to complete, and the new syllabus will be in force in the coming scholastic year. Mr. Radayeh said that the Jordanian Institute for the Blind has been supplied with the necessary machines and equipment to enable specialists to apply modern methods of teaching the blind.

International hotel officials due for talks

AMMAN, March 18 (JNA). — The chairman and the secretary general of the International Union of Hotels are due here Sunday on a several-day visit to Jordan.

Amman Stock Exchange Report

NAME OF COMPANY	PAR value	Volume traded in JD	Opening price	Highest selling price	Lowest selling price	Closing price	Last buying bid	Last selling offer
Jordan Dairy Co.	JD 1.000	110	—	1.100	1.100	1.100	—	—
Jordan-Gulf Bank	JD 1.000	715	1.050	1.050	1.050	1.050	1.000	1.050
Dai Aldawa Development & Invest. Co.	JD 1.000	105	1.350	1.300	1.300	1.350	—	—
General Mining Co.	JD 1.000	180	0.850	0.900	0.900	0.900	—	0.950
Arab Pharmaceutical Co.	JD 5.000	746	12.600	12.650	12.650	12.650	12.650	—
Arab Aluminum Co.	JD 1.000	570	1.000	0.950	0.950	0.950	0.950	1.000
Jordan Worsted Mills Co.	JD 1.000	89	1.650	1.550	1.550	1.550	—	—
Jordan Cement Factories	JD 10.000	372	15.500	15.500	15.500	15.500	15.500	15.550
Jordan Petroleum Co.	JD 5.000	2,179	6.650	6.650	6.600	6.600	6.500	6.600
Jordan Phosphate Mines	JD 1.000	1,032	2.100	2.150	2.150	2.150	—	—

Total volume traded, Saturday, March 18: JD 6,098

50 per cent of share capital paid

75 per cent of share capital paid

They will hold talks with officials at the Ministry of Tourism and Antiquities and the Jordanian Hotel Association on ways of developing hotel services in Jordan. The two will also visit touristic and archaeological sites in the country.

Libya issues new ruling on work permits

AMMAN, March 18 (JNA). — The Libyan Jamahiriyah embassy in Amman announced today that from now on it will issue visas for work in Libya only to applications reaching it through the employment office at the Ministry of Labour. The Jordan News Agency reporting this, said the new step follows talks on the subject between the employment office director and the Libyan consul, and conforms with the new employment office regulations concerning Jordanian labourers working abroad.

4th Mechanised Div. thrash 3rd Armoured Div. 3-0

AMMAN, March 18 (JNA). — The armed forces volleyball cup was won today by the Fourth Mechanised Division team when it defeated a team from the Third Armoured Division. The result of the match was 3-0. The match held at the University of Jordan sports-hall was attended by a number of high ranking army officers and a representative of the chief of staff who distributed medals and trophies to the winners.

U. of J. to take part in teachers administration programme

AMMAN, March 18 (JNA). — The University of Jordan will participate in the International Programme for Teachers of Administration which will be held in France from the beginning of July till the middle of August. The programme aims at developing administration teachers' skills and capabilities and the exchange of experience among the participants.

Prince

Mohammad

reviews

tourism

People and Places

Artist returns

Recently returned from the United States where he staged a highly successful art show is well known Jordanian artist Mohanna Durra. The exhibition was organised by the Department of Fine Arts of Georgetown University and ran from Jan. 23 through Feb. 10 this year.

While his paintings, all recent works and untitled but belonging to a series of works with one theme that is currently absorbing Mr. Durra -- "Harmony is peace", have now gone on tour to other cities in the U.S. Mr. Durra has returned home.

While in Washington he was able, through a photographer friend, to get an insight into the lifestyles of Washington's upper class black community. "They are a very interesting and very influential part of Washington society," says Mr. Durra.

During the meeting, tourist relations between Jordan and Greece were discussed. Prince Mohammad called for the promotion of these relations in view of the strong ties between the two countries, and the high standards attained by Greek tourist enterprises.

His Highness had recently made a visit to Greece during which he discussed with Greek tourism officials matters related to boosting tourism between the two countries.

The committee also discussed the accommodation capability and general conditions of Jordanian hotels.

Prince Mohammad expressed satisfaction at prices in hotels and restaurants whose owners had responded positively to the Ministry of Tourism and Antiquities ruling on these prices.

He also welcomed the private sector's interest in building hotels whose accommodation capacity is expected to reach nearly 5,000 rooms by 1981.

The committee further discussed developing tourist attractions in Jordan. Prince Mohammad emphasised the necessity of developing the hot springs at Hammeh in north Jordan, and the Siaghab hot springs west of Madaba overlooking the Jordan Valley and the Dead Sea along with other historical and archaeological sites.

The Ministry of Tourism will submit a detailed study to His Highness on these subjects as early as possible.

The Prince also called for the opening of new tourist information offices and increasing the number of tourist policemen, who have proved a very valuable aid to the tourist.

Prince Mohammad also spoke of the transference and re-settlement of Bedouin in Petra.

spirit to comprehend the vocabulary of shape, line, texture, tone and colour the artist employs. Mohanna Durra uses this vocabulary with a sure talent to express his private vision of the world around him. It is Jordan that he paints -- the ancient strength of its hills, the enduring silence of its deserts, the young energy and hopes of its people. Audaciously voiced in a creatively complex pattern, the message remains simple, human, direct.

Boosting flights to Cairo

Just back to his Amman base after a fleeting visit home is Egypt Air Regional Manager, Mr. Samir Qadri. He was busy in Cairo with the talks between Alia, the Royal Jordanian Airline and Egypt Air last week which sought to achieve greater coordination between the two companies to boost passenger services between Amman and Cairo.

As a result of the talks Mr. Qadri and his staff are going to have a heavier workload

By John Bonar

this year with increased flights between the two cities under a pool agreement between the two airlines.

Starting April 1 Egypt Air will be operating seven flights weekly between Amman and Cairo using the European airbus seating 311 passengers and Boeing 707 seating 154. Alia will start operating ten flights a week into Cairo using the Boeing 727 with 127 seats.

Mr. Qadri says Egypt Air is ready to put extra flights onto the route to deal with the expected huge traffic increase during the summer.

Wishful thinking?

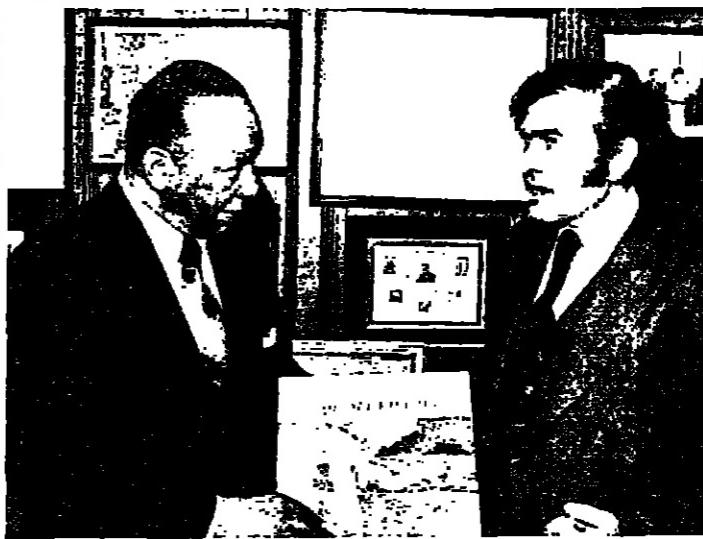
Why are the staff of the Jordan Intercontinental Hotel busily searching tourist and travel literature for information on Miami?

It seems they all fancy a holiday in the luxury of the Four Ambassadors Hotel in Miami which Intercontinental assumed operations on March 1.

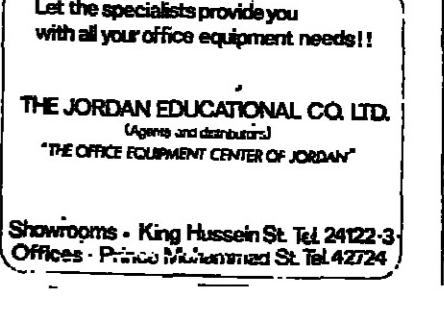
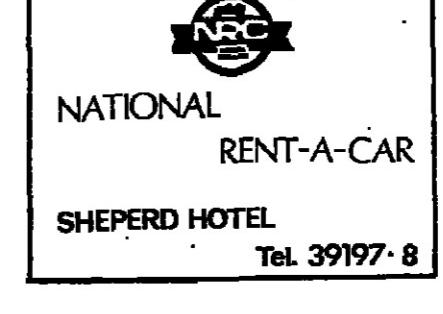
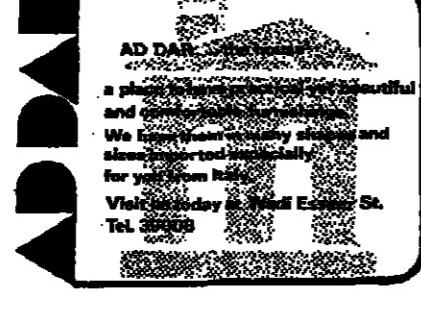
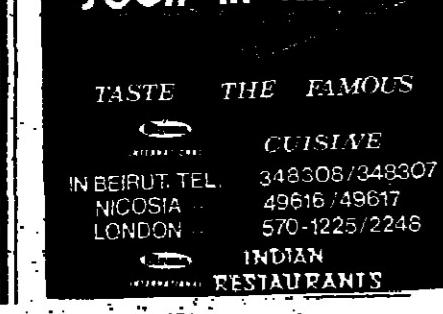
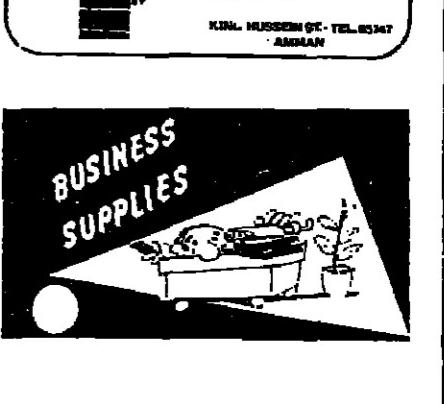
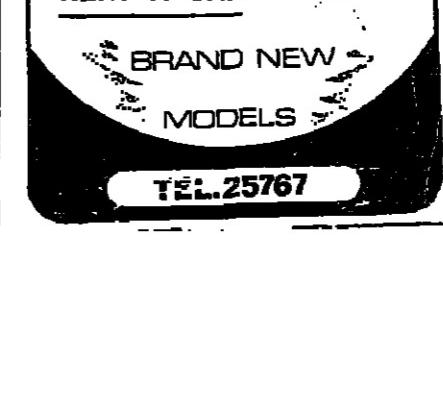
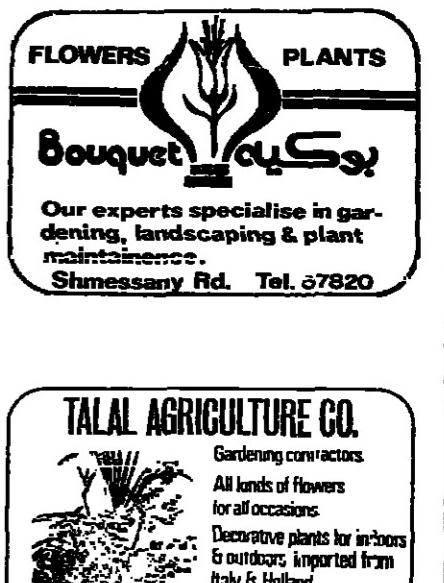
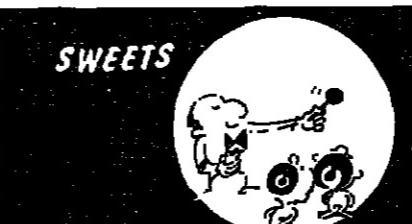
The ten-year-old hotel has four 19-story towers and is situated right on Biscayne Bay. With its own private marina, two Olympic-sized swimming pools and landscaped tropical gardens, it is small wonder that it is attracting the interest of Intercontinental's own staff, who of course qualify for a discount on the official rates, \$49 for a single, \$70 for a double room.

New promotion idea

Those people in charge of promoting Jordan's wares as a growing Middle East centre for trade, manufacturing, finance, transport and tourism are pondering a new suggestion from the Financial Times newspaper of London. The FT Middle East Advertising Manager, Richard Turpin, is here selling advertising space for the annual FT survey on Jordan, scheduled for end of May; but he is also getting Jordanian officials to think about ordering reprints of the supplement in a magazine-size format, which would be distributed throughout the rest of the year to delegates at conferences here and visiting businessmen, through embassy and Alia offices abroad, and possibly even to international mailing lists compiled by Jordan's PR officers in the United States.



AMMAN MARKETPLACE



This supplement was produced for the Jordan Times by Middle East Communicators. No one was responsible for marketing, research, writing and editing the supplement. Text by John Bonar, research by Kamel Bani Hani. Graphs on page 2 by John Bonar. Design, production supervision by Fernando Francis.

JORDAN TIMES, SUNDAY, MARCH 10, 1978

Middle East Communicators

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 Page 6: Jordan Banking and Finance Directory
 Strong Dinar and high exchange reserves

JORDAN TIMES

An independent Arab political daily published by the Jordan Press Foundation
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GENERAL MANAGEMENT: AMMAN, JORDAN

IN MILLION JD

	1975	1976	1977
CAPITAL & RESERVES.....	20	30	30
DEPOSITS.....	472	682	768
TOTAL ASSETS.....	853.5	1371	1494

1 JD = US \$ 3.17 (APPROX.)

BRANCHES IN:

ABU DHABI, AJMAN, BAHRAIN, DUBAI, EGYPT, GAZA, JORDAN,
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Expansion but little innovation in a very conservative system

The Jordanian Financial system has undergone a number of major developments in the last year ranging from the start of operations of the Amman Stock Exchange, through the licensing of a number of new commercial banks and investment banks, to a liberalising of the foreign exchange controls to the extent that they are almost non-existent as far as the average account holder is concerned.

This rapid growth of the banking system and developments in monetary policy were perhaps inevitable given the combination of the dictates of the current Five Year Development Plan (1976-1980) and the enlightened policy of the Central Bank of Jordan (CBJ).

Under the Five Year Plan the banking system and monetary policy were assigned an important, if not crucial, role in helping achieve the plan's targets. In brief the banks and financial policy-makers were set seven tasks:

1. Maintain relative stability in prices of commodities and services.
2. Restrain growth in money supply to less than 10 per cent per annum.
3. Reduce the relative proportion of circulating currency to money supply and increase the ratio of quasi-money to money supply.
4. Increase commercial medium-term credits to finance private sector development projects.
5. Curb the increase in credit facilities for financing current operations and limit consumer credit for luxury items and durables.
6. Market, through the Central Bank, 75 per cent of public debt that instruments (development bonds and others) to the general public within Jordan and abroad.
7. Extend loans totalling JD 44 million through specialised credit institutions.

Some success

Some of the goals were highly demanding. For example it would be difficult, without resorting to draconian measures, to reduce the growth in money supply from 28.4 per cent in 1975 to ten per cent within a year. However the CBJ policies did succeed in reducing the growth rate to 20.6 per cent in 1976, and in 1977 it looks like being down to eighteen per cent. During the last few months of last year money supply was actually reduced in absolute terms.

Other goals were easier to meet than envisaged by the architects of the plan. Savings and time deposits of the private sector at commercial banks increased at a rate far in excess of the plan's expectations. The ratio of these deposits to money supply amounted to 35.5 per cent at the end of 1976, whereas the plan aimed at raising this ratio to 33 per cent by 1980.

This was largely achieved by boosting the minimum interest rates on savings and time deposit accounts to an average of 5.3 per cent and 6.1 per cent respectively at commercial banks. The Housing Bank and the Post Office Savings Fund also increased their rates and in addition the Housing Bank operates a lottery with JD 30,000 in prizes distributed annually amongst account holders.

The goal of curbing inflation has met with little success.

The average cost of living index officially went up by 15.3 per cent in 1976 but the procedures and base for this calculation are now considered dubious by many economists who think the real increase may even have been higher.

In attempting to lay down ratios for commercial banks' credit-portfolios, between term loans and short term credits such as letters of credit and overdraft facilities, the Central Bank has come up against an inherent conservatism in the local commercial banking sector. Most commercial ban-

ks extended on short-term financing.

The old adage "that banks lend money to those who don't need to borrow it," has probably never been more apt in the latter twentieth century, with its burgeoning growth of credit for all levels of society, than when applied to Jordanian banks today.

Yet it is hard to expect innovation in a system that has introduced few new practices in half a century: that lacks expertise in risk assessment and that would rather talk to potential borrowers about full collateral than cash flow projections.

Even among the international banks, with long established branches in Jordan, this expertise has been found to be lacking. The authoritative Middle East Economic Digest last autumn quoted unofficial reports as saying that Grindlays Bank was "embarrassed" by the collapse of the property boom but noted this was "officially denied". Today executives at the bank decline comment on everything and anything and appear to have re-

ached from a peak of activity in the early 1970s when a large branch expansion programme was undertaken in Jordan to bring the blue elephant within reach of more customers and potential customers.

Not only banks

This reluctance to modernise the system is not exclusive to the banks, however.

The offhand way many quite large corporations in Amman handle their administration, corporate planning and financing is cause for despair on the part of not a few bank managers in town. Some of the largest local companies still rely on a highly centralised system with even relatively minor decisions being referred to the General Manager or even to the Board of Directors.

The internal accounting, control and budget estimates of many of the large private companies in town, with only a few outstanding exceptions, are conducted in a less than sophisticated manner, "by guess and by God," rather than science, in the words of one public accountant.

In this chicken and egg situation, it is debatable whether the modernisation of banking methods and the introduction of more sophisticated



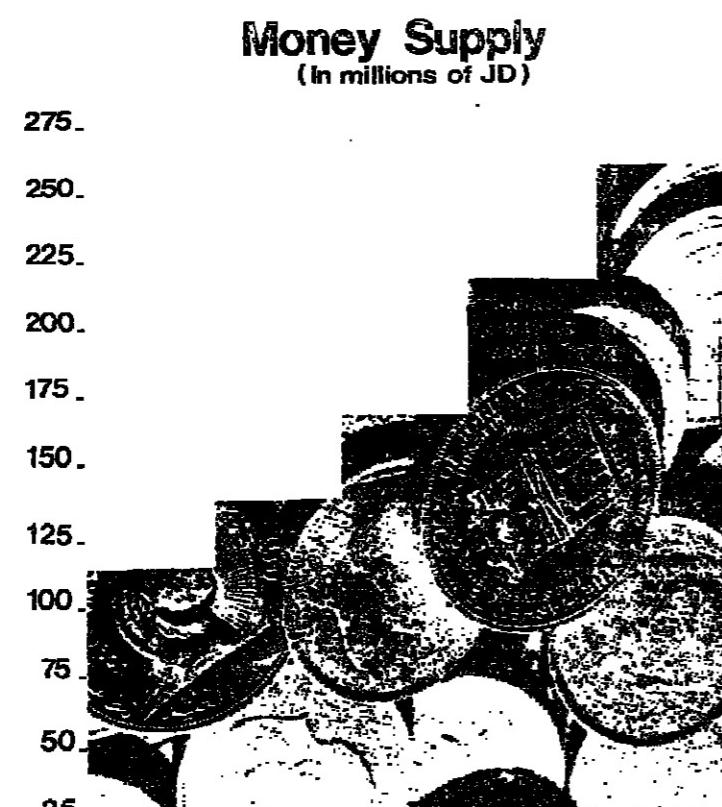
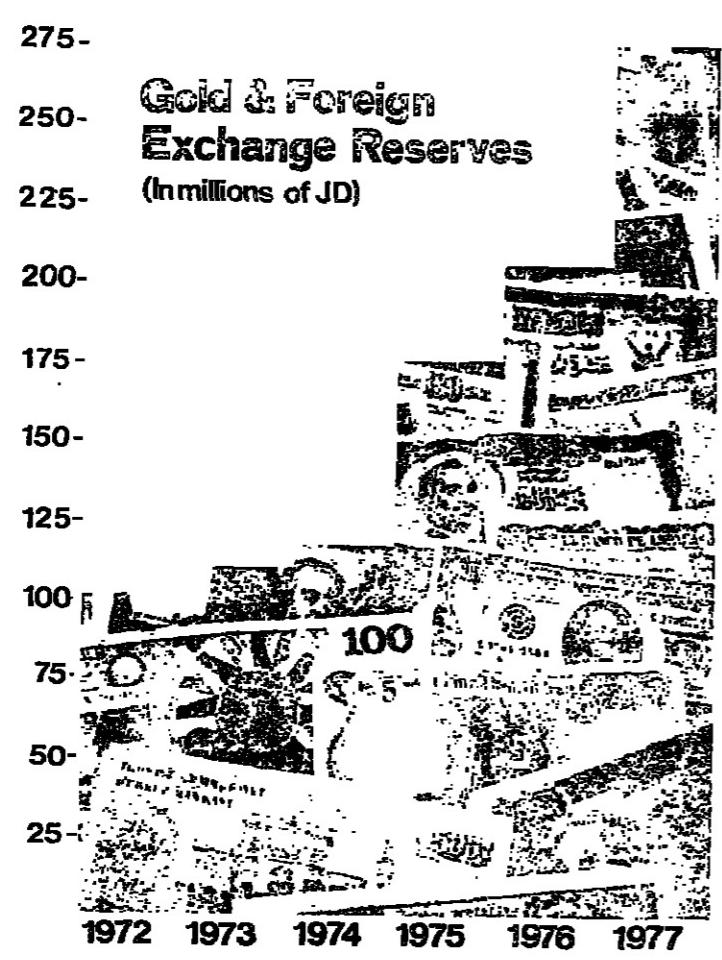
Central Bank Governor Dr. Mohammad Said Nabulsi.

and relatively daring, risk assessment and credit control procedures on the part of the banks would lead to greater professionalism in modern business administration by the local private sector or whether the innovation should come from Jordan's own business community.

In the meantime those companies, both local and foreign in Jordan, that operate according to business administration techniques developed in Western industrialised countries have to search for the cases of banking expertise they require in a sea of mediocrity

The establishment of banking training institutes by the Central Bank and the Arab Bank can only augur well for the development of expertise in the local arena, but the marketplace benefits of these training programmes are likely to be more long-term than immediate.

Even international banks with access to modern methods and techniques can find the going heavy in this situation.



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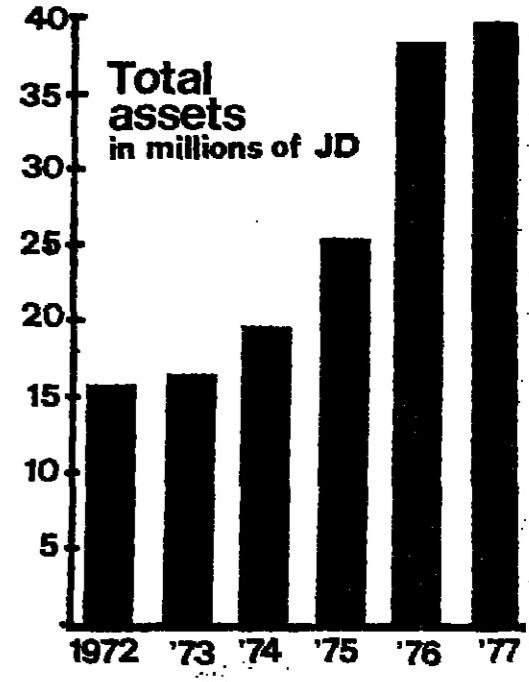
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	Jordan Intercontinental Hotel	Jenin

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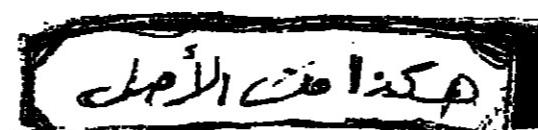
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AND AT

JABAL HUSSEIN

MAHATTA STREET

ABDALI



Jordan's creditworthiness

No problems in Eurodollar markets for Jordan

*a festive
meeting
if office
want to
Bank
of JD
74 75*

International bankers view Jordan as a good credit risk. The country's foreign commercial debt is relatively slight and easily manageable. At the end of the third quarter of 1977 external debt to foreign governments, international and regional aid institutions and foreign commercial banks amounted to JD 191 million including JD 139 million of uninsured debts.

Jordan first entered the commercial Eurodollar market in 1968 with borrowings totalling \$196 million - all over six years at 1 5/8 per cent. Among the loans were \$30 million for the Kingdom arranged by Citicorp and one of \$54 million for Alia. The Royal Jordanian Airline, also arranged by Citicorp and guaranteed by the Kingdom. The \$30 million loan was primarily to cover imports of prefabricated schools from West Germany.

Later in the year Frab-Bank International of Paris arranged a credit of \$10-\$12 million for the Syria-Jordanian Land Transport Company. Alia also later signed another loan for a further \$70 million.

In a sense these were tests of the market. Jordan got good terms and its reputation as a borrower is first class.

One foreign banker, who visits Jordan frequently on business which includes looking for syndicated loan opportunities says of Jordan, "It's a good risk. Its foreign exchange position is strong, it's a strategic country with strong allies. It has a development plan that's realistic and it's not overextended."

Jordan's traditional sources of aid show no signs of drying up. The international and regional aid agencies, from the United States Agency for International Development to the Kuwait Fund for Arab Economic Development, all show keen interest in Jordan's pragmatic development plans and are substantial contributors to the country's development budgets.

Despite this it is certain that Jordan will have to return to the Euromarkets this year and in 1979 to seek financing for some of the massive projects included in the current development plan. Foremost amongst those is the Fertiliser Industry Co. and the Dead Sea potash project, which between them will take \$702.5 million of investment not counting infrastructure costs such as roads, water and port facilities to service the industries.

According to Minister of Industry and Commerce Najmeddin Dajani the Fertiliser company will require commercial borrowing for capital investment but it is possible, with the right equity shareholding partners, whom it is hoped will provide finance at preferential rates, the potash project will require commercial facilities only to provide working capital.

Dr. Michel Marto, deputy General Manager of the Jordan Fertiliser Company, says the company wants to finance the

project by one third equity, one third supplier's credit and one third soft loans. France has agreed to supply \$50 million as suppliers credit and a government soft loan. Already plans are being made for a \$40 million Euromarket syndication and this may be increased if there is a shortfall in the financing.

For the Arab Potash Company, the \$425 project to extract potash from the salt-filled waters of the Dead Sea will have to be 60 per cent financed

by borrowing of one sort or another. It is expected that equity shareholders will provide a substantial amount of this at less than commercial terms; U.S. Aid, who have been involved with the project since pre-feasibility studies were first commissioned 15 years ago, and other potential backers on soft terms have scheduled a meeting on April 4th to finalise financing for the project after studying the final feasibility study which has just been published.

Expansion, but little innovation in a very conservative system

(Continued from previous page)

Certainly their high level of capitalisation gives a much needed injection of capital into the banking system. Between them, the Jordan-Kuwait Bank (authorised capital JD 5 million) (authorised capital JD 5 million) and Petro Bank (authorised capital JD 3 million) almost equal the paid up capital of Jordan's 12 other commercial banks as shown on their balance sheets on Sept. 30 last year. The Jordan-Kuwait Bank has already applied for permission to increase its authorised capital to JD 10 million.

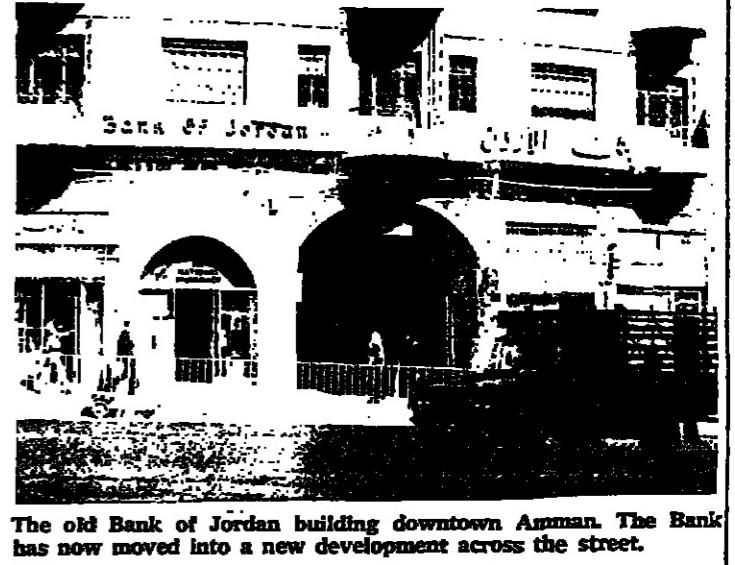
Sophisticated techniques

From sheer size and history the Arab Bank dominates the local market. However size alone did not keep it from being lumped with other commercial banks, criticised en masse in the Five Year Development Plan for a lack of interest in issuing corporate securities, purchasing and marketing of such securities, concentrating credits on short term, self-liquidating loans for commercial operations, an avoidance of borrowing from each other and a failure to develop a local money market which would have allowed them to operate at a lower liquidity ratio thus permitting corporations access to funds at short notice.

However the Arab Bank, doyen of banking in the Arab World, has moved to maintain its pre-eminent position as the most successful commercial bank in the country. Over the last two years it has increased its capital to JD 40 million, the last increase being announced this year and amounting to 33 per cent.

With its own sophisticated research department and a computerised operation based in Amman the Arab Bank was one of the first major institutions to introduce, only three years ago, the technique of forward planning and performance projections to its own

norms of local banking practice.



Committee meeting of the Jordan Development Conference discusses Jordan's aid requirements for the Five Year Development Plan.

Although the Arab Bank's basic appeal to most of its customers stems from years of highly conservative banking practices, which has given it the enviable reputation of never having closed its doors during war or civil strife, nevertheless it has moved gradually towards more innovative banking. Its reserves still remain amongst the highest of all banks in Jordan but even today's high levels are a reduction from the enormous proportion of the bank's funds

The old Bank of Jordan building downtown Amman. The Bank has now moved into a new development across the street.



Since its' beginning just 4 short years ago, The Housing Bank has been a very active participant in Jordan's rapid economic progress during that time. As the charts below demonstrate, The Housing Bank has achieved spectacular growth in the private & commercial sectors involved in that development.

YEAR ENDING	DEPOSITS OF THE HOUSING BANK AND COMMERCIAL BANKS (In thousands of JDs)					
	PUBLIC SECTOR	PRIVATE SECTOR	TOTAL COMMERCIAL BANKS	TOTAL DEPOSITS IN THOUSANDS OF JDs	% OF DEPOSITS OF TOTAL DEPOSITS	% OF DEPOSITS OF TOTAL DEPOSITS
1974	6,721	1,678	718	3,644	55,585	3,629
1975	5,817	6,215	3,404	12,916	8,434	10,49
1976	7,899	6,315	1,128	3,514	19,271	17,046
1977	9,716	7,642	2,278	1432	245,782	17,061

NUMBER AND BALANCES OF LOANS WITH THE HOUSING BANK FROM 1/3/74 to 31/12/77
(Geographical distribution)

DISTRICT	NO. OF LOANS	NO. OF HOUSING UNITS FINANCED	AMOUNT IN THOUSANDS JDs	AREA FINANCED M ²	% LOANED TO TOTAL LOANS	% OF AREA TO TOTAL AREA
AMMAN	4,293	8,635	41,125	1,352	69.8	64.4
IRBED	1,317	1,485	4,158	146	7.0	7.4
SAULT	374	407	971	42	1.6	2.1
KARAK	187	203	469	20	.8	1.0
ZARKA	977	2,151	5,619	193	9.5	9.8
MADABA	311	374	980	34	1.7	1.7
MAFRAK	202	244	634	23	1.1	1.2
TAFILE	82	91	155	8	.3	.4
AJLOUN	154	155	307	11	.5	.5
JARASH	129	135	303	11	.5	.6
MA'AN	22	25	101	2	.2	.1
RAMLA	64	68	198	8	.3	.4
TAIBA	151	163	588	16	1.0	.8
ASABA	28	1,458	2,953	101	5.0	5.1
OTHER	6	57	394	9	.7	.4
TOTAL	8,297	15,851	58,955	1,976	100	100

SAVINGS DEPOSITS - THE HOUSING BANK; OTHER COMMERCIAL BANKS

(in thousands of JDs)

YEAR ENDING	SAVINGS DEPOSITS COMM. BANKS	SAVINGS DEPOSITS HOUSING BANK	TOTAL SAVINGS DEPOSITS	TOTAL PERCENTAGE OF SAVINGS DEPOSITS IN HOUSING BANK
1974	15,894	253	16,147	1.6
1975	22,467	953	23,420	4.1
1976	46,174	2,888	49,062	5.9
1977	53,132	8,682	61,814	14.0

NUMBER AND AMOUNTS OF DEPOSITS IN THE HOUSING BANK

Year ending 1977

TYPE OF DEPOSITS	NO. OF ACCOUNTS	BALANCES OF ACCOUNTS (Thousands JDs)	PERCENTAGE OF AMOUNT TO TOTAL
CURRENT ACCOUNTS	13,857	22,741	62
SAVINGS ACCOUNTS	22,220	8,682	24
NOTICE ACCOUNTS	499	2,378	6
FIXED DEPOSIT ACCOUNTS	946	2,953	8
TOTAL	37,522	36,754	100

BENEFICIARIES OF HOUSING BANK LOANS 1/3/74 to 31/12/77

BENEFICIARIES	NO. OF LOANS	NO. OF HOUSING UNITS FINANCED	AMOUNT FINANCED THOUSANDS JDs	AVG. FINANCED THOUSANDS JDs	% OF LOANED AMOUNT TO TOTAL LOANS	% OF AREA FINANCED TO TOTAL
INDIVIDUALS	7,512	8,350	26,015	995	44	50
HOUSING FUNDS & COOPERATIVES	128	769	3,592	134	6	7
CONSTRUCTION COS. & INVESTIGATORS	642	3,016	12,940	501	22	25
GOVT. & PUBLIC INSTITUTIONS	15	3,716	16,408	346	28	18
TOTAL	8,297	15,851	58,955	1976	100	100

Housing Bank emerges as unique institution

Specialised credit and investment funded by fast growing deposits

Unique amongst banking institutions in Jordan is the Housing Bank, which, although it has an image of a specialised credit institution, is active in many areas of commercial banking and is moving rapidly into the investment field.

Established under Law no. 41 of 1973, the bank began operations in April 1974 and has burgeoned ever since, now operating 17 branches covering the country in greater depth than any commercial bank.

The Bank has had almost instant success. Deposits at the end of 1974, after nine months of operations, totalled JD 3 million. By the end of 1977, deposits had grown to JD 36.8 million. The increase in 1977 alone represented almost 25 per cent of the total growth of the commercial banking system.

Loans, however, fell off in 1977, both in number and total value, from their 1976 peak. This is attributed by the bank to a combination of a fall in demand for construction loans and the application of stricter criteria by the management for loans for commercial purposes.

Despite the recession in the property market, the Housing Bank, which has all its credit facilities for property development, claims a 99.9 per cent payment on all loan installments due in 1977. This at a time when some of the commercial banks in the country, including Grindlays, are reported to have suffered from sour loans.

Services

Like a commercial bank, the Housing Bank operates a full range of accounts services.

For chequing account cus-

tomers, there is only one bank which will allow them to cash cheques throughout the afternoon. The Housing Bank is open until 5:00 p.m. in winter and 6:00 p.m. in summer months -- a considerable convenience, especially for government employees who work through normal banking hours.

- * The branch establishment policy.
- * Afternoon opening hours.
- * High interest on savings accounts coupled with a regular lottery on all account numbers.

By establishing branches in areas where no banking competition existed before, such as Tafileh in southern Jordan, previously served exclusively by the Jordan National Bank, opening in Fuheis, where no other bank operates, and running a "mobile branch" around rural villages where it is unfeasible to establish a regular branch, the Housing Bank has expanded the national market for banking services as well as carved out a substantial share of the existing market for itself.

For chequing account cus-



Mr. Zouhair Khoury, head of the Housing Bank at his desk.

tomers, there is only one bank which will allow them to cash cheques throughout the afternoon. The Housing Bank is open until 5:00 p.m. in winter and 6:00 p.m. in summer months -- a considerable convenience, especially for government employees who work through normal banking hours.

To obtain a personal loan

for construction from the bank at the eight and one-half per cent preferential rate (including free life insurance on the borrower), the bank requires the borrower to own the land for the building, hold a building permit for the land and, most important, have the capability to repay the loan. Loans of up to JD 7,000 are extended on the basis that instalments should not exceed one-third of the borrower's steady monthly income. As a rule of thumb, the bank extends JD 1,000 worth of credit for every JD 33 of guaranteed monthly income. The loans are repayable over five to 15 years.

Commercial loans are extended to developers at nine per cent, plus a one per cent commission on the basis of maximum of JD 35 per square metre of the development. This is geared to encourage the developer using the bank's credit facilities to build low-cost housing. The JD 35/sq. m. represents about 70 per cent of the costs of popular houses.

developments, but only 30 per cent of prime property building costs.

Investment activities

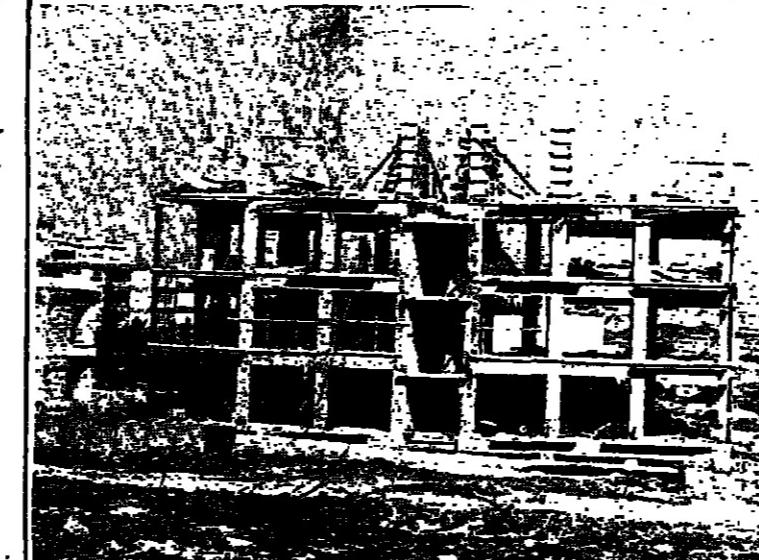
The bank has also moved away from its purely specialised credit image into the investment banking field, and now holds equity in ten local companies including 16 per cent in the Holiday Inn, five per cent in each of Lime and Sandstone Brick Co., Bentley Bricks of Jordan Co., International Contracting and Investment

reign shareholders are interested in seeing it develop into a regional credit institution specialising in housing finance. Support for this development is likely to come from the Arab states holding equity in the Bank.

While cautious about expanding outside the country, the Housing Bank's management under the leadership of its Chairman and Director-General, Dr. Zouhair Khoury, unexpected in Jordan and which excels the efforts of most commercial banks.



The impressive new headquarters of the Housing Bank at Abdali in Amman.

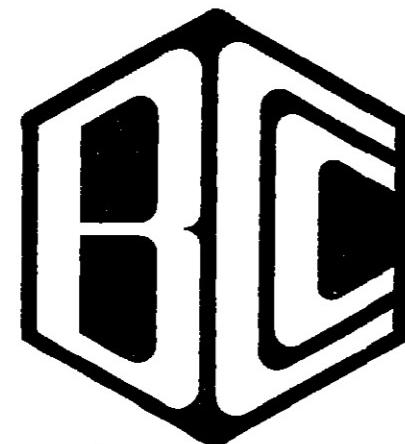


Loans from the Housing Bank help finance the private sector construction.

بنك الاعتماد والتجارة الدولي

Bank of Credit and Commerce

International S.A.
(Incorporated in Luxembourg)



Experts in international banking

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JORDAN

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P.O. Box 7943 & 2958
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Telephones : 38393, 38394 and 38257

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Financial Investments Company for Shares & Bonds

Financial Services Co.Ltd.

International Financial Centre

Samir & Sameh Brothers Investment Co.Ltd.

Shareco Brokerage Co.Ltd.

The Commercial Office for Buying & Selling Shares

All brokers have offices at the AFM premises
Amman Chambre of Industry Building 2nd Circle, Jabal Amman

البنك الدولي

No lack of confidence over bright future for stock exchange

After slow trading in the first few days of operations in early January the Amman Stock Exchange officially known as Amman Financial Market is now active, if not exactly booming. Chairman and Director General Dr. Hashem Sabbagh declares himself well pleased that trading in February, the second month of operation, increased by 40 per cent over January. However he acknowledged that trading would probably not meet the Board's optimistic target of JD 6 million this year.

"It is more important however at this stage that we establish our procedures and prove ourselves to the public who are the users and investors in the market so that we have their confidence," Dr. Sabbagh told *JT*.

This view is shared by at least the majority of the seven stockbroking firms licensed by the Jordanian Exchange. All of them and Dr. Sabbagh himself believe the new market as bringing long-term benefits.

Two of the companies, managed by workers who have many years experience in over-the-counter trading in Jordanian stocks, are said to be leading the local market at the moment with the bulk of day-trades going through their hands.

The others are optimistic never that their own business development, which has been quite marked in the short time AFM has been operating, will continue. However most of us agree that no matter how ill the market develops it will be a very long time before it will make a profit out acting as brokers for the general public. The graduated scale of commissions the brokers are licensed to charge their public customers ranges from one per cent maximum on trades up to JD 10,000 value added to 0.1 per cent on trades over JD 40,000. On these admissions the brokers pay AFM a fee of 20 per cent split equally between the buyer and seller).

Objectives

According to Dr. Sabbagh:

"The Amman Financial Market, like any other financial market, can be described simply as a place where those who buy and sell stocks meet to perform their trading operations.

"Since the number of Jordanian shareholders exceed 170,000 their actual trading is done through brokers who are approved by the Market to perform this job. By accumulating the largest possible number of bids and offers the greatest liquidity in the market is achieved.

The AFM's Board have set

the following objectives for the market:

1. The creation of sufficient liquidity for both the saver and investor;

2. Publishing and declaring the prices of the financial papers traded on the floor will eliminate the possibility of "misplacing" the public savings as a result of "foul acts" or ignorance by another party.

The gap is bridged by financial brokers who work through an organised market to channel savings from the saver to the investor.

B) The second function, which the AFM will eventually perform, is the role of an organiser for financial papers in the Kingdom; it will supervise the publications concerning the primary issues, or what is known as the Primary Market, or control the information published continuously by listed companies, or what is known as the "Secondary Market".

Therefore, in the future, it will be required from all companies, to prepare prospectus in the case of general public offering of securities.

This prospectus should inform the public about all facts related to the company and will eventually help the expected investor, or saver, to choose objectively the papers which will fulfill his needs.

Third: In addition the AFM may share in the development of the Jordanian financial market through:

A) Developing diversified financial institutions that will introduce to the market new services not known or practiced before. These financial institutions, such as Brokerage Houses, will play a major role in activating trading of financial papers through the "secondary market". Added to this, they can function as underwriters of new issues and activating it through the "Primary Market". Also they can play the role of Financial Advisors for different investors (savers) in the Kingdom.

In order to achieve the two important goals mentioned above, the AFM will perform the following two basic functions:

A) The regular stock exchange function through which it will provide its services on the Trading Floor and the publishing of material information on the listed financial paper prices on a continuous basis.

B) Developing and diversifying the methods of financing public institutions and corporations. Instead of going every time to the primary market through offerings of new shares as an addition to their original capital, as is done by most public companies, or by borrowing from commercial banks with government guarantee in addition to appropriations in the government budget, they can be self-financing by borrowing directly from the general public through long-term bonds.

Dr. Hashem Sabbagh (extreme right) with brokers and interested observers on the Stock Exchange trading floor in Amman on the first day of operation of the Exchange. (JT photo)

Trading for own account

As far as the public are concerned the market purchases and sales are dominated by the saver. If I buy stock for an investor today it may be years before I see him again," said one broker. "He is buying savings. He will not touch these stocks until he is short of cash. There is no interest; on a part of the vast majority of investors of following the market forces and maintaining an active portfolio."

Where most of the brokers expect to begin making their profits after a few more months is in trading on their own account. The stock brokering companies will act as principals in the purchase, acquiring shares in their own name. Obviously they hope these shares will increase in value thus allowing them to sell out, making a profit ready for investment in other shares which are likely prospects for capital appreciation. They may end up being the only speculators on a market.

According to Dr. Sabbagh financial markets have an important role to play in countries with a free enterprise economy, and Jordan is one of them. Development in a free enterprise economy depends to great extent on the active role of the private sector."

Given the need for the private sector to raise capital to expand existing facilities or establish new public shareholding enterprises "a financial market plays a role of smoothing

out the economic cycle."

The AFM's Board have set

How you can buy Jordanian stocks

In theory almost everyone can buy Jordanian stocks through the brokers on the Amman Financial Market.

In practice only Jordanians are buying today.

An amendment to existing legislation now before the Jordanian authorities will permit non-Jordanian Arabs to invest freely in Jordanian stocks but not other foreigners.

Europeans, Americans, Japanese or any other non-Arab must obtain prior permission from the Council of Ministers before acquiring shares -- or any other property in Jordan.

Since such a permission can take up to two months to process the only way it is theoretically possible, for a foreigner to invest speculatively in Jordanian stocks, taking advantage of market forces and sudden falls of basically strong stocks is to obtain permission in advance for a number of stocks quoted.

Having the permission, of course, in no way obliges one to actually consummate the purchase. With a "portfolio of permissions" the foreign investor could then buy as he wanted according to attractiveness and availability.

Since no-one has actually tried to operate such a system we cannot vouch that such blanket permissions will be given, although there are no restrictions against it in law.

How quickly the AFM can develop is still not clear.

The degree of sophistication in corporate financial management which Dr. Sabbagh envisages making use of a primary market exists now in only a handful of companies in Jordan.

The possibility of international stockbroking companies such as Merrill Lynch, Peacock & Smith acquiring minority shareholding in local stockbroking companies remains but is distant while trading is around the JD 8,000 a day mark.

Never-the-less there is an air of confidence in the AFM which bodes well for its future.

Jordan's first lady banker makes the grade

Starting as a secretary in the bank after graduating from High School Mary worked her way up to first become an executive secretary then a banker. Before coming to Amman her last assignment was as head of the Commercial and Documentary Credits Department of Bank Al Mashreq.

Debate

Although the bank had a lady manager in one of their Lebanese branches the decision to appoint a lady to run a branch in Jordan was the subject of much debate.

"I think everyone was afraid that as a lady I would have a tough time making it as the manager of a bank in Jordan," Mary says.

"I am not saying it was easy but I've been here two years now. I am satisfied with what I have done. For other bankers in town and for our customers it was an experience to have to deal with a lady but I think I am accepted now. Certainly I don't have any problems related to being a woman manager."

Common principles

Mary's reputation as a banker is enhanced by the fact that Al Mashreq operates to the highest international standards and is not overly concerned with the traditional conservatism of the local banks here.

"If some local banks require 100 per cent cover on loan

Now there's a new name in international banking



بنك الاردن والخليج

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Telex: 1959 JG BANK JO
Telephone: 64117 / 9



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CITIBANK

Jordan Times Banking and Finance Directory

CENTRAL BANK AUTHORITY

Central Bank of Jordan

P. O. Box 37 Amman; Telephone: 30300, 30301/30309 Telex: 1250/1476 Cable: BANKMARKAZI

Management: Dr. Mohammad Said Nabulsi (Governor and Chairman)
Hussain Kasim (Deputy Governor)
Hisham J. Safadi (Executive Manager, Foreign Relations)
Walid Khairallah (Executive Manager, Banking)
Mohammad A. Jasser (Executive Manager, Currency & Foreign Exchange and Public Dept.)
Fawaz Al Zoebi (Executive Manager, Bank supervision)
Dr. Adnan Al Hindi (Head of Economic Research and Studies Dept. and acting Head of Internal Audit and Organisation Dept.)
Muhammad Saleh (Executive Manager, Administration)

Branches: Aqaba, Irbid (under preparation)

SPECIALISED CREDIT INSTITUTIONS

Agricultural Credit Corporation

P.O. Box 77, Amman

Telephone: 61105/61108

Cable: ACC AMMAN

Director General: M. O. Qura'een

The Housing Bank
P. O. Box 7693, Amman
Telephone: 617176, 67126/29 Telex: 1693 ISKAN JO
Chairman & Dir. Gen.: Dr. Zouhair Khoury
Dep. Dir. Gen.: Bassam M. Atari
Branches: 16

Industrial Development Bank
P. O. Box 1982, Amman
Telephone: 42216-9 Cables: BANKSINAI
General Manager: Ziad Annab
Asst. Gen. Mgr.: Rajab Al Saad

Jordan Cooperative Organisation
P. O. Box 1343, Amman
Telephone: 65171-3 Cable: ALOUN AMMAN
General Manager: Marwan Dardin
Asst. Gen. Mgr.: Musa Arifeh

Municipal and Village Loan Fund
P. O. Box 1572, Amman
Telephone 44351-2
Director General: Hajem Al Tell

COMMERCIAL BANKS

Bank of Jordan

Jordanian

P. O. Box 2140, Amman
Telephone 44327, Telex 1272 BANK JOR JO
General Manager: Zohair Darwaza
Branches: 17

Jordan National Bank

Jordanian

P. O. Box 1578/79, Amman
Telephone: 42391-3, Telex: 1206 AHLI BANK
Chairman: Sulayman Sukkar
Branches: 13

Arab Bank Ltd.

Jordanian

P. O. Box 8 and 68, Amman
Telephone: 38161/9, Telex: ARABNK JO 1273 & 1620
General Manager: Abdul Maied Shoman
Branches: 16 operating and 6 closed on West Bank and Gaza

The Cairo Amman Bank

Jordanian

P. O. Box 715, Amman
Telephone: 23896, Telex: 1240 CAIRAM
General Manager: Asaad Shukri
Branches: 11

Jordan Kuwait Bank

Jordanian

P. O. Box 9776, Amman
Telephone: 62120, Telex: 1385 ARKUBK JO
General Manager: Sofian Ibrahim Yassin
Branches: 2

Rafidain Bank

Iraqi

P. O. Box 1194, Amman
Telephone: 24365, Telex: 1334 RAFDBANK
General Manager: Mohammad Faq Alousi
Branches: 2

Arab Land Bank

Egyptian

P. O. Box 6729, Amman
Telephone: 44357, Telex: 1208
General Manager: Taha Gafe' Branche: 7

Bank Al Mashrek

Lebanese

P. O. Box 1226, Amman
Telephone: 25190, Telex: 1318
General Manager: A. M. Saliba
Branches: 3

Citibank

U.S.

P. O. Box 5055, Amman
Telephone: 42277, Telex: 1311
General Manager: Henri R. Jacquand
Branches: 1

British Bank of the Middle East

British

P. O. Box 444, Amman
Telephone: 36175, Telex: 1253 BBME JO
General Manager: P. V. Hunt
Branches: 4

Grindlays Bank Ltd.

British

P. O. Box 3, Amman
Telephone 30104, Telex: 1209
General Manager: J. C. Hendry
Branches: 11

Chase Manhattan Bank

U.S.

P. O. Box 20191, Amman
Telephone: 25131/2, Telex: 1479
General Manager: Francois Moes
Branches: 1

Bank of Credit and Commerce International

Luxembourg

P. O. Box 7943, Amman
Telephone: 38393/4, 38251, Telex: 1455
Regional Manager: Fakhri Bilbelsi
Branches: 1 operating 2 under preparation

Jordan-Gulf Bank

Jordanian

P. O. Box 9989, Amman
Telephone: 64117/9 Telex: 1659 JG BANK JO
Chairman and Acting General Manager: H. E. Mohammad Nazzal
Armouti
Branches: 1 operating 1 under preparation

Petra Bank

Jordanian

P. O. Box 6854, Amman
Telephone: 30396/7 Telex: 1688 PETRAB Cables: PETRABANK
Chairman and General Manager: Dr. Ahmad Chalabi

AMMAN FINANCIAL MARKET

Amman Financial Market

P.O. Box 8802, Amman

Telephone 44461/44806 Telex 1711

Chairman and General Manager: Dr. Hashem Sabbagh

BROKERS

Akram Ghazaleh and Khalil Joudah Company for buying and selling Financial Paper

P. O. Box 390/1579 Telephone 44461 (AFM) 30473/36952 (Town Office)

Telex 1711 Joint General Managers: Akram Ghazaleh and Khalil Joudah

Financial Investments Company for Shares and Bonds

P. O. Box 9833, Amman Telephone 44806 (AFM) 61531 (Town Office)

Telex 1304 SAKER JO General Manager: Wajieh Saker Shanak

Financial Services Co. Ltd.

P. O. Box 2421, Amman Telephone 44806/44461

General Manager: Hilmi Sakijha

International Financial Centre

P. O. Box 2809, Amman Telephone 44806/44461 (AFM) 25401 (Town Office)

Telex: 1672 ICC JO

General Manager: Samir Amin Hassan Deputy Gen. Mgr.: Daud Kisha

Samir and Sameh Brothers Investment Co. Ltd.

P. O. Box 20194, Amman Telephone 44806/44461

General Manager: Sameh Sharif Al Ja'abari

Shareco Brokerage Co. Ltd.

P. O. Box 5377, Amman Telephone 44461/44806 (AFM) 25045 (Town Office)

Telex 1711 General Manager: Mahmoud Thafer Al Daoud

The Commercial Office for Buying and Selling Shares (Sulaiman and Nahim Barakat)

P. O. Box 323, Amman

Telephone 44461/62 (AFM) 24775 (Town Office)

Telex: 1806 SHARES JO

General Manager: Sulaiman A. Barakat

Strong Dinar, high reserves and reduction of controls boost local exchange markets

It is one of the ironies of international finance that Jordan, a country still poor in developed resources and with an import bill running at four to five times the value of the country's exports, has one of the strongest currencies in the world.

The reason is largely that the Dinar is backed by gold and foreign exchange reserves which have continued to rise dramatically over the last few years and a sound monetary policy has made it extremely difficult for speculation in the Dinar which could have caused substantial fluctuation.

The Central Bank of Jordan (CBJ) regards the maintenance of the Dinar's convertibility as one of its most important functions. To this end the CBJ co-operates fully with international financial bodies such as International Monetary Fund (IMF), particularly in regard to floating policies.

Since mid-February 1975 the JD has been officially linked to the IMF's Special Drawing Rights (SDRs) unit of account with 2.25 per cent fluctuation margin on parity.

Reduction in Money Supply

At the end of 1977 the CBJ held JD 26,526,000 in bullion, an IMF Gold Tranche position of JD 2,211,000, SDRs worth JD 2,857,000 and foreign exchange of JD 203,533,000 totalling 235,127,000 in gold and foreign exchange reserves. Additional reserves of JD 36,733,000 held by the commercial banks and JD 136,000 held by the government boosted the nation's reserves to JD 271,996,000.

Now not only foreigners but Jordanian residents can operate foreign currency accounts in their commercial banks

without restriction on transfer. There are limits to the value of funds which can be held in foreign currency, except in the case of Jordanians who have returned after working three or more years abroad who are given a number of years to convert the surplus to Dinars.

Free exchange market

The government has also officially sanctioned money-changers in Jordan to operate accounts abroad, a practice many of them had been following albeit illegally. In addition the money-changers are allowed to deal in foreign currencies on the international exchange markets.

According to Rizk Shukri Rizk, of Rizk and Saliba S. Rizk, one of the two largest money-changers in Amman, a consensus exists between the CBJ and the money-changers in that an almost-free foreign exchange market exists. This means that the money-changers operate with hardly any restriction but according to CBJ guidelines. The new operating conditions ensure a degree of propriety in exchange dealings and has enhanced the professional standing of those officially licenced dealers compared with the chaos of 1970 when over 100 dealers of varying standing and honesty were operating without control. After the exchange rate of the dollar was floated on the local market

through manipulations by some of the more disreputable dealers and when it became obvious that there was a significant black market being operated the CBJ closed down all exchange offices and regulated the industry.

Now that cooperation and firm understanding has been developed between the CBJ authorities and those money-changers licensed to operate the money-changers, and particularly the large and well-known establishments of the Salfit, plan an important role in maintaining the strength of the Jordanian economy and the value of the Dinar through purchasing Jordanian currency on international exchange markets. ... a task that otherwise may have to be undertaken by the CBJ itself.

Since all the commercial banks are licensed to conduct foreign exchange operations how is there room for the money-changers as well? Mr. Rizk believes that many banks, particularly some of the local Jordanian banks are either uninterested in developing foreign exchange dealing or are unable to provide the standard of efficiency that customers want. Indeed many banks in Jordan buy foreign exchange from the money-changers.

On balance the money-changers help maintain an adequate supply of foreign currency in the local market. They are open all day while banks close their tills at 1.30 p.m. and they provide a quick over-the-counter service, which is what not only tourists but also big merchants want.

Aviation & Telecommunications

The Jordan Times is publishing a series of supplements of interest to business and industry in Jordan over the next year. Two important supplements of interest to regional and international companies in the fields of aviation and telecommunications will appear in May and June respectively. These supplements are being produced by Middle East Communicators of Amman under contract to the Jordan Press Foundation, publishers of the Jordan Times. For details of rates or any other information on the supplements please contact:

John Bonar
Managing Director
Middle East Communicators
Public Relations and Advertising Consultants
P.O. Box 327, Amman, Jordan
Telephone: Amman 42928, Telex: 1686 SACORT JO

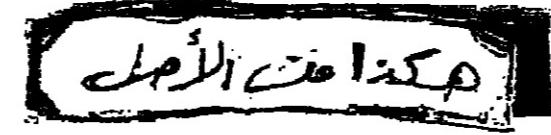
CAPITAL: JD 3 MILLION

Tel. 30396/7

Telex: 1868 PETRAB JO

P.O. Box: 6854 AMMAN, JORDAN

Cable Address: PetraBank



FORECAST FOR SUNDAY, MARCH 19, 1978

our DAILY HOROSCOPE

the CARROLL RIGHTER INSTITUTE

GENERAL TENDENCIES: A day when you want encouragement for the many interests and activities which you are involved. Make long-range plans to have greater abundance in the days ahead.

RIES (Mar. 21 to Apr. 19) Show more appreciation to your members and add to present harmony at home. Be to budget your money wisely.

URUS (Apr. 20 May 20) Do whatever will improve home life and put more order and system into your life. Discuss future plans with mate.

EMINI (May 21 to June 21) If you compliment your mate, you will get the added cooperation you need now. id one who is jealous of you.

ON CHILDREN (June 22 to July 21) Study your social position well and make plans to improve it in the future. Think constructively.

SO (July 22 to Aug. 21) Any personal matters can be settled in a most efficient way at this time. Visit good friends and have a delightful time later in the day.

IRGO (Aug. 22 to Sept. 22) You have to study details of new venture in order to be successful. Spend more time with mate and come to a better understanding.

BRA (Sept. 23 to Oct. 22) Study new interests could provide a greater income in the days ahead. More understanding for the one you love.

CORPIO (Oct. 23 to Nov. 21) Make plans for the re and put your personal affairs in better order. Strive more rapport with mate.

AGITTARIUS (Nov. 22 to Dec. 21) Work on a new project that could give you greater abundance in the future. To please friends and relatives.

APRICORN (Dec. 22 to Jan. 20) Handle your duties so you can enjoy recreation later in the day. Cement relations with mate in the evening.

QUARIUS (Jan. 21 to Feb. 19) Think along lines of ing others more and have greater success in the re. Relax at home tonight.

ISCES (Feb. 20 to Mar. 20) Study your work carefully make plans to be more efficient in the future. Good to improve your health through exercise.

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ain's largest and most renowned Chinese restaurant offers you a gourmet's trip to the Far East via superior traditional cuisine and authentic northern Chinese and Cantonese dishes.

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Chinese & European" dishes. At

the man

WHO WORSHIPS THE GROUND HE WALKS ON IS A GOLFER

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Pakistani violence feared as Bhutto sentenced to death

LAHORE, March 18 (Agencies) — Deposed Prime Minister Zulfikar Ali Bhutto was sentenced to be hanged today for ordering a political assassination in 1974. Mr. Bhutto, 50, the urbane, landed aristocrat who ruled Pakistan for five-and-a-half years, looked composed when the judge decreed that he should "hang until dead".

Mr. Bhutto, who may appeal, said nothing and was driven away to a condemned cell.

Many Pakistanis deemed the decision, after a four-month trial, to be a harsh one. It raised the prospect of possible new violence in Pakistan where Mr. Bhutto, deposed in an army coup last July, retains a considerable following.

Some 500 Bhutto supporters were detained last week and his wife and a daughter are under house arrest.

No incidents were reported today. But riot police patrolled this uneasy capital of Punjab

Province, scene of street violence last year, as the High Court handed down the death sentences on Bhutto and on four other men.

The four, members of the now-disbanded Federal Security Force (FSF), which critics called Mr. Bhutto's private mafia, were found to have been involved in a 1974 machinegun attack on a Bhutto opponent.

The court found that Mr. Bhutto ordered this attack.

The ex-premier, and the other convicted men, all had pleaded not guilty.

The four men sentenced with

Mr. Bhutto today were Mian Mohammed Abbasi, former FSF Director, and three FSF inspectors — Rana Iftikhar Ahmed, Arshad Iqbal and Ghulam Mushtaq.

According to testimony during the trial, Mr. Bhutto ordered the three inspectors to kill Mr. Ahmed Raza Khan, a leading member of the opposition Pakistan National Alliance. But Mr. Khan's father, Mr. Nawab Mohammed Ahmed Khan — also an opposition party member — was shot and killed when gunmen ambushed the car he was riding in.

Sadat says national unity dictated 1967 accusation of U.S.-Israeli collusion

Cairo, March 18 (AP) — Egyptian President Anwar Sadat says Egypt accused the United States of participating with Israel against Egypt in the 1967 Middle East war in order to maintain the country's national unity.

President Sadat, who took part in the military planning of the 1967 war, said he was sure the plans were "foolproof" and indicated Egypt lost because of a power struggle between the political and military leaderships.

President Sadat's statements came in the last installment on Friday of the first part of his book *In Search of Identity*. Extracts from the section dealing with the 1956 to 1967 period are being published by the Al Ahram newspaper.

The late President Gamal Abdul Nasser was "very adamant" about not accusing the United States without factual proof, President Sadat said, but "when Nasser realised the extent of the catastrophe" — (Favot's air force was destroyed by Israel in one aerial stroke) — he backed down and accused the United States of aggression on Favot.

"The aim of this was to camouflage the political situation," President Sadat wrote. "It flashed back the past; to the people. Instead of the British occupation they would now have the Americans."

"Thus their patriotic spirit was rekindled and they went into the streets to defy the defeat and announce that if their army had been squashed their political will was still strong," President Sadat said.

In a narration of the June 1967 war, President Sadat said President Nasser "did not know" of a withdrawal order issued to the troops in Sinai by then Field Marshal Abdul Hakim Amer.

"Not only that but he argued with Amer that the troops sh-

ould fall back to the defence line in the Gidi and Mitla Passes instead of withdrawing," said President Sadat, who wondered in his book why President Nasser didn't take command. "But there was a struggle: Nasser wanted to remain the hero that he was prior to the June 5 and Amer wanted to remain the commander-in-chief of the army."

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"Not only that but he argued with Amer that the troops sh-

Tornado kills 32 in India

NEW DELHI, March 18 (R) — The death toll of the tornado which hit north Delhi last night rose to 32 today with the search going on for more bodies, police said. More than 800 people were injured in the sudden brief storm which uprooted trees and telegraph and electricity poles and swept cars and buses off the roads.

"The revolutionary regular and militia forces of Ethiopia deployed on the southern bat-

Ethiopia claims last Somali-held town in east Ogaden now controlled

LONDON, March 18 (AP) — Ethiopia has claimed the capture of Gode, the sole remaining town in the eastern Ogaden not under its control, and said it had "virtually liberated" the eastern front of the desert where Ethiopia and Somalia have engaged in fierce warfare in past months.

The revolutionary regular and militia forces of Ethiopia deployed on the southern bat-

tlefront (also) are scoring victory after victory," Addis Ababa Radio said in a broadcast monitored here yesterday.

The broadcast, which quoted an official Ethiopian statement, said the regular and militia forces took control of Gode on Friday and also "took control of the town of Imi and its surrounding areas (in the southern Ogaden)."

The radio said the Ethiopian forces are "helping to resettle

the people who had fled for fear of massacre" from the "invading Somali troops of (President Mohammad) Siad Barre."

His forces have withdrawn back across the Ogaden into Somalia following defeats orchestrated by Ethiopia, with aid from the Soviet Union and Cuban troops.

The Ogaden is populated by ethnic Somalis who have been fighting to annex the desert area to Somalia.

France today decides whether to go left or right

By Mort Rosenblum

PARIS (AP) — France decides tomorrow Sunday whether to replace the lingering shadow of Charles De Gaulle with a government of Socialists and Communists. It's likely to be close.

The centre-right government coalition appears to have the edge over the Socialists and Communists in this second and decisive round of elections for the National Assembly.

Most analysts forecast a slight majority for the government coalition after run-off voting for 423 of the 491 assembly seats. The government won 63 of the 68 races decided in the first round last Sunday.

Government confidence

Stock market prices and the value of the franc reflected confidence in a government victory. Prices on the Paris Stock Exchange shot up 10 per cent Monday and the franc moved to 4.76 to the dollar from 4.88 at the opening.

Stocks gained an average of 3.5 per cent Wednesday and the franc firmed at 4.77 against the dollar.

A majority of just a few

seats would allow President Valery Giscard d'Estaing's Parisians to block the sweeping nationalisations and social measures in the leftists' platform.

But, the analysts add, the left already has made a major impact, and even in defeat they will force more liberal -- and more technocratic -- legislation.

The flurry of last-minute campaigning made it clear no one considered the race won. Mr. Giscard d'Estaing, in an appeal Wednesday, asked the French to apply again "their consideration and intelligence ... in taking a grave national decision."

The leftist alliance ran almost a dead heat with the ruling coalition in the first round last Sunday. Socialists polled nearly 23 per cent of the popular vote, compared to 19 per cent in 1973. Communists won 20.5 per cent, slightly less than last time.

Seats race

What counts in the run-off is not the popular vote but the number of seats won. The Socialist-Communist union is likely to do far better than the 182 seats they now control.

One presumed fact of French political life works both ways. Frenchmen, it is held,

drawn to favour the government.

Official figures show the leftists had won sufficient votes to contest 412 of the 423 seats still to be decided. The candidate will be Socialist in 245 seats, Communist in 147 and Left Radical in 20.

On the government side, there will be 225 Gaullists, 180 from the Centrist Union, and 16 under the non-party banner of supporters of Giscard d'Estaing. There are five independent or minor party candidates.

To win, the left needs strict adherence to their hasty agreement that trailing candidates throw their weight behind better placed alliance partners. They also need help from left-leaning minority parties.

The French way

But a number of Socialist voters are afraid that Communists in a new government might go too far. And some extreme minorities say the leftist alliance won't go far enough. In such cases, abstentions could hurt badly.

One presumed fact of French political life works both ways. Frenchmen, it is held,

often vote left in the first round to express dissatisfaction and right in second for fear of abrupt change. This would help re-elect the majority. But the clear message is that many are fed up with inflation that has hovered near two digits and persistent unemployment.

A renewed majority would have to take into account leftist ideas not only for long-range support but also to avoid threatened strikes and disorder.

Polls were wrong

Opposition polls consistently favoured the left, causing fits in the ruling majority over whether to adopt popular measures from the leftist platform. The Socialists and Communists quarrelled over how far they should go without frightening borderline voters.

Sunday's results showed the polls were wrong. One reason, analysts said, is that pol-

iters did not reflect a last-minute shift to the right by nervous voters. Also, they said, there were too many samplings without enough preparation.

First-round voting produced four main political groupings. The most conservative was the Rally for the Republic, Paris Mayor Jacques Chirac's Neo-Gaullist Party which campaigned energetically by warning against the dangers of the left. Parties loyal to Giscard d'Estaing's more centrist track formed the ad hoc Union for French Democracy. On the left, there were the Socialists and Communists.

In public remarks after the voting, nearly everyone claimed one sort of victory or another. Former Minister of Veterans Affairs Alexandre Sanguineti put it this way to L'Express magazine:

"It is all cinema, all garbage. Each time, it's the same thing. The two sides cry victory. In fact, we have but one choice: Wait until Sunday."

GORED BRIDGE

BY CHARLES H. GOREN AND OMAR SHARIF

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DEAR MR. GOREN:

Q.—In a recent game, a player asked me whether I play "splinter" bids. I had never heard of this before. Would you please explain what a splinter bid is and discuss its merits?—P. Matthews, Chevy Chase, Md.

(This question has been awarded the weekly prize.)

A.—To answer the second part of your question first, the splinter bid is a surprisingly effective weapon. In its simplest form, it is an unusual jump that guarantees a fit for partner's last named suit, valued for game and a singleton or void in the suit bid.

In the following sequences, the last bid in each is a splinter, showing shortness in that suit:

a) North South

1 ♠ 4 ♠

b) North South

1 ♠ 3 ♠

c) North South

1 ♠ 2 ♠

d) North South

1 ♠ 2 ♠

e) North South

1 ♠ 2 ♠

f) North South

1 ♠ 2 ♠

g) North South

1 ♠ 2 ♠

h) North South

1 ♠ 2 ♠

i) North South

1 ♠ 2 ♠

j) North South

1 ♠ 2 ♠

k) North South

1 ♠ 2 ♠

l) North South

1 ♠ 2 ♠

m) North South

1 ♠ 2 ♠

n) North South

1 ♠ 2 ♠

o) North South

1 ♠ 2 ♠

p) North South

1 ♠ 2 ♠

q) North South

1 ♠ 2 ♠

r) North South

1 ♠ 2 ♠

s) North South

1 ♠ 2 ♠

t) North South

1 ♠ 2 ♠

u) North South

1 ♠ 2 ♠

v) North South

1 ♠ 2 ♠

w) North South

1 ♠ 2 ♠

x) North South

1 ♠ 2 ♠

y) North South

1 ♠ 2 ♠

z) North South

1 ♠ 2 ♠

aa) North South

1 ♠ 2 ♠

bb) North South

1 ♠ 2 ♠

cc) North South

1 ♠ 2 ♠